



Department of Veterans Affairs

VA Contingency Plan*

Agency Operations in the Absence of Appropriations

April 8, 2011

*As required by OMB Circular A-11

1. Introduction

VA is committed to supporting Veterans and their families even during limited operations in absence of appropriations, commonly known as a government “shutdown”. The Department of Veterans Affairs (VA) is revising its shutdown plan, in accordance with Office of Management and Budget (OMB) Circular A–11, Section 124 (dated July 21, 2010). Based on the instructions contained in Circular A-11, the Anti-Deficiency Act, and on guidance offered by VA’s Office of General Counsel, the attached document details VA’s analysis for a potential government shutdown. This contingency document is provided for a short-term shutdown. A long-term event will require further analysis and development.

This document outlines the activities being undertaken by VA in anticipation of a potential government shutdown due to a lapse in appropriations. This document is intended to ensure that VA can perform an orderly suspension of its programs and operations in the unlikely event of a shutdown.

This document outlines programs and resources necessary to ensure the shutdown of VA’s functions if normal operations are suspended. It also applies to all personnel and contractors assigned to or performing services for VA.

2. Shutdown Contingency Overview

The Department is pursuing a comprehensive approach for a potential shutdown, which includes identifying functions and programs for which there is a legal basis for exception, including those required by “necessary implication” and protection of life and property. VA Administrations and Staff Offices were asked to review their organizations and identify these specific functions and programs (and the employees required to support them). Their decisions were based on long-standing OMB and Justice Department guidance, and the legal opinions of VA’s Office of General Counsel (OGC). VA’s OGC has reviewed this document to ensure compliance with these criteria.

In its shutdown contingency deliberations, VA has consistently worked to establish which of its functions are legally excepted for carrying out services the Department is obligated to provide to the nation’s Veterans and their families. These include the provision of high-quality medical care, compensation and pension benefits, housing, and burial services.

Excepted functions that relate to the Department’s need to protect life and property including the Office of Information Technology (OI&T)’s information systems that support the provision of health services at the Veterans Health Administration (VHA)’s facilities.

During the 1995-96 government shutdowns, a number of VA functions were impacted by the lapse in appropriation:

- VHA did not have an advance appropriation – medical service, support and compliance and medical facilities were limited to those deemed excepted for protection of life and property.

- Some benefit activities and payments (e.g., Readjustment, Insurance) were delayed.
- Loan Guaranty certificates of eligibility and certificates of reasonable value were delayed.

However, in anticipating a potential shutdown in 2011, VA must take into account several factors that are different from the 1990s experience. The Department believes these factors provide ample justification for what will be a significant increase in the number of excepted VA employees and functions in the event of a shutdown. They include:

- Advance appropriations for VHA, which accounts for 86% of the VA's discretionary budget. VA believes that certain key functions that support VHA's research operations also qualify for exception for protection of life and property.
- Review by OGC and VA program offices determined that if there are balances in discretionary accounts (due to prior year carryover) this funding must be used to continue operations until the balances are depleted.

As a result, the Department's current projection is that 97 percent of VA employees would be required to perform excepted functions during a shutdown event. Approximately 278,592 FTE (out of a pre-shutdown total of 312,628) are VHA and funded by advance appropriations. Therefore, the number of employees to be retained under the plan meeting A-11, Section 124.2 criteria is 302,394 (of which 286,428 are funded), and number of employees, not otherwise exempt is 10,234.

Appendix A provides a summary table identifying impact of the shutdown on the workforce to each VA organization

Appendix B provides additional detail concerning VA's excepted functions along with the Department's current projected shutdown staffing totals

Appendix C provides a summary of suspended functions within VA

Appendix D provides a timeline of sequenced activities within VA leading up to and after a government shutdown

Appendix A. Impact of the Shutdown on the Workforce

VA ORGANIZATION	EMPLOYEES DURING NORMAL OPERATIONS	EXCEPTED EMPLOYEES	EMPLOYEES FOR WHICH FUNDING IS AVAILABLE	NUMBER OF NON-EXCEPTED EMPLOYEES
Veterans Health Administration (VHA)	278,592	278,592	278,592	0
Veterans Benefits Administration (VBA)	20,380	15,273	332	5,107
National Cemetery Administration (NCA)	1,671	759	1	912
Office of Information & Technology (OI&T)	6,921	5,421	5,421	1,500
Board of Veterans Appeals (BVA)	559	10	10	549
Human Resources & Administration (HRA)	677	395	383	282
Office of Acquisitions, Logistics, & Construction (OALC)	1,294	964	964	330
General Counsel (OGC)	762	202	170	560
Office of Management (OM)	723	491	471	232
Office of Public and Inter-Governmental Affairs (OPIA)	78	1	1	77
Office of Congressional and Legislative Affairs (OCLA)	45	1	1	44
Office of the Inspector General (OIG)	654	200	1	454
Office of Operations, Security, and Preparedness (OSP)	86	16	16	70
Office of Policy and Planning (OPP)	97	1	1	96
Office of the Secretary	89	68	64	21
Total Department	312,628	302,394	286,428	10,234